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FOR IMMEDIATE RELEASE

Terry Goddard Lists Priorities for Consumer Protection Week

(Phoenix, Ariz. – Feb. 6, 2006) Attorney General Terry Goddard today kicked off Consumer Protection Week 2006 with a list of goals he is pursuing this year.

Goddard outlined the following priorities his office is focusing on in 2006:

Predatory Lending: The Attorney General's Office is committed to safeguarding Arizona consumers from the predatory practices of unscrupulous lenders. Specifically, Goddard would like to see Arizona consumers protected from predatory fees and practices involved in high-cost loans.

Payday Loans: These loans are also known as cash advance loans. These are small, short-term loans with high interest rates, and loan operators are opening more and more outlets. The fees charged are usually a percentage of the face value of the loan, and the companies loaning the money give borrowers an opportunity to extend or "roll-over" the loan with new fees for each extension. Goddard is committed to protecting Arizona consumers so they don't get trapped in a series of loans with accumulated interest rates upward of 400 percent.

Supply Emergency/Price Gouging: Arizona consumers still have no legal protection from price gougers during a supply emergency. The Attorneys General from the Gulf Region demonstrated the need for an emergency statute following last year's hurricanes. Half the states in the country have laws prohibiting profiteering during an emergency, and enforcement of them last year saved millions of dollars for consumers. Arizonans need the protection of a similar statute when a disaster affects the supply of gasoline and other necessary commodities in our state.

Identity Theft: Last week the Federal Trade Commission named identity theft as its number one complaint throughout the United States. Arizona was once again named the area with the highest rate of ID theft in the nation, and Phoenix ranked highest among all metropolitan areas. Goddard supports the following changes to Arizona law to help protect Arizona consumers from becoming victims of ID theft:

- Require businesses to safeguard consumer records and shred customer financial information when disposing of documents.
- Require businesses to notify customers when records or computer systems have been compromised.
- Allow consumers to place a credit freeze on their records so identity thieves cannot open credit accounts in the consumers' names.

In addition to these goals, Goddard announced an online consumer protection quiz that allows people to test their consumer knowledge. This interactive quiz has 15 questions based on the Attorney General's Top 10 Consumer Scams booklet. After completing the quiz, consumers can find out if they answered the questions correctly. The Attorney General's Office will use information from this test to help determine where to target public education efforts.

Consumers can take the test at www.azag.gov.

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